



# CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 1, 2003

## **H.R. 1516** **National Cemetery Expansion Act of 2003**

*As ordered reported by the House Committee on Veterans' Affairs on June 26, 2003*

### **SUMMARY**

H.R. 1516 would direct the Secretary of Veterans Affairs (VA) to establish new national cemeteries for deceased veterans located in southeastern Pennsylvania, the Birmingham, Alabama area, the Jacksonville, Florida area, the Bakersfield, California area, and the Greenville/Columbia, South Carolina area. CBO estimates that implementing the bill would cost \$9 million in 2004 and \$78 million over the 2004-2008 period, assuming appropriation of the necessary amounts. The bill would not affect direct spending or receipts.

H.R. 1516 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 1516 is shown in the following table. The estimate assumes that H.R. 1516 will be enacted by October 1, 2003, and that the necessary amounts will be appropriated for each year. The costs of this legislation fall within budget function 700 (veterans benefits and services).

	By Fiscal Year, in Millions of Dollars					
	2003	2004	2005	2006	2007	2008
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>						
Estimated Authorization Level	0	35	0	18	0	75
Estimated Outlays	0	9	26	9	9	25

## **BASIS OF ESTIMATE**

Based on information from VA about the costs of cemeteries currently under construction, CBO estimates that the planning and construction of these five new national cemeteries would require appropriation of \$128 million over the 2004-2008 period. According to VA, it takes about five years, on average, to establish a new national cemetery. In 2004, costs of about \$35 million would stem from environmental impact studies and the acquisition of the needed land. Absent information from VA, CBO assumes that all of the land for these cemeteries would have to be purchased (land donations would decrease the cost of acquisition). The subsequent planning, design, and preparation of specifications for the five cemeteries would take about two years and would cost about \$18 million. CBO estimates that appropriations of about \$75 million would be necessary in 2008 for cemetery construction, and that the resulting outlays would occur over a three-year period. Thus, CBO estimates that implementing the bill would cost \$9 million in 2004 and \$78 million over the 2004-2008 period, assuming appropriation of the necessary amounts.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 1516 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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